

An Analysis of Sarajevo, Herzegovina and Krajina Tourism Regions and Recommendations for Product Development, Marketing and Destination Management.

Report submitted to:
The USAID Cluster Competitiveness Activity,
Emerging Markets Group and J.E. Austin Associates
May 2005

By:
Alan J. Saffery
4 Darwin Street
Northwich
Cheshire, CW8 1BT
England
alan@alansaffery.com

Contents

Contents	1
Executive Summary	2
Introduction	2
Summary of Donor Conclusions relating to the BiH Tourism Industry	3
USAID Cluster Competitiveness Initiative	3
JICA	4
GTZ	6
TEMPUS	7
SWOT Analysis Based on Amalgamation of Donor Reports	7
Review of SWOT Analysis in Relation to CCA Project	9
Destination Marketing of Bosnia & Herzegovina	10
Cross-Cutting Issues for BiH's Three Tourism Regions	11
Promotion	11
Infrastructure	12
Market Research and Market Knowledge	13
Education and Training	13
Regulations and Standards	14
Tourism Enterprises	14
Institutional Capacity	15
Herzegovina	16
Adventure Tourism	16
Cultural and Religious Heritage	18
Ecotourism/Rural Tourism	20
Priority Areas for Tourism Development in Herzegovina	20
Opportunities for Building Cooperation with the Croatian Tourism Industry	22
Krajina	23
Adventure Tourism	23
Ecotourism/Rural Tourism	24
Volunteer Tourism	25
Priority Areas for Development	25
Sarajevo	26
Cultural Heritage Tourism	27
Priority Areas for Development	27

Executive Summary

Tourism is about providing tourists with positive lasting experiences and creating 'value for effort'. Value for effort is defined as creating a balance of good facilities, services and experiences with value for money and a low level of effort involved to fully participate in that tourism experience.

BiH stakeholders and previous donor reports raise a number of obstacles to tourism development yet many of these are not sufficient enough to deter tourism arrivals if those tourism arrivals are carefully targeted. A tourist might be unhappy to travel two hours on a bumpy road to visit a ruined church with little history, little interpretation, an inexperienced guide and little to see. Yet a tourist travelling on the same road to undertake a thrilling one hour white-water rafting experience is unlikely to perceive the quality of that road as an issue.

The USAID-funded Cluster Competitiveness Initiative, in one of their reports, stated that 'many attractions are ready to serve the international market or can be easily brought up to international standards'. BiH must focus on the cultural, historical and natural heritage that it undoubtedly possesses and use those resources to develop tourism experiences that are of such a high quality that they will negate the negative elements of the industry. Those products and itineraries must then be sold through tactical, focused and cost-effective marketing techniques, under-promising and over-delivering on the experiences provided.

BiH has the highest number of regional arrivals of any country in the former Yugoslavia. In fact 92% of all arrivals are from Europe and of those 58% are from Slovenia, Croatia, Serbia & Montenegro, and Macedonia. They cannot rely solely on product development because of their dependence on the region, nor can they rely solely on market development as many of the products currently being sold are not competitive to the Western European market. In order to build the BiH tourism industry, stakeholders must undertake a process of diversification; creating new and innovative products and selling them to new geographical markets.

The Krajina, Herzegovina and Sarajevo regions are likely to gain significant growth in tourism by concentrating on Adventure, Cultural Heritage and Rural Tourism. Much of the work can be undertaken by private sector enterprises although collaboration with the public sector will undoubtedly speed up the process of diversification. In order to be successful, clusters must concentrate on the industry weaknesses that can be overcome with little difficulty and not focus on the weaknesses that for various reasons will take time and significant investment.

Introduction

Various reports compiled by donor organisations have sought to analyse the current situation of the Bosnia and Herzegovina tourism industry. Further analysis will not uncover anything new. What is needed and what this report seeks to do is identify the way forward to put the country or regions of the country on the international tourism map.

It is widely recognised that the past fifteen years have severely impacted the country's economy and level of tourism maturity. Unlike its neighbour Croatia, it has not been able to pick itself up and portray an image of a new safe and exciting European destination. In the long term it has a large number of issues to deal with including infrastructure, institutional capacity, skill and knowledge levels, promotional budget and quality of facilities and services.

With so many issues, it is difficult to know where to start. Certainly a long term vision, and strategy of market and product development is necessary although with the current mass market appeal of Croatia it is very difficult to compete on price. The industry must learn to innovate and compete on the quality and uniqueness of its products and attractions and seek to market these to specific using the most cost-effective methods, whether those methods are traditional or contemporary.

This report looks objectively at three regions of BiH and examines how those regions can make progress in utilising existing resources to attract an increasing number of overseas

clients. It does not attempt to discuss all the obstacles that prevent the country from being a world-class destination. That would be pointless given its political and economic situation and the fact that other donor organisations have highlighted these. What it does attempt to do is identify current high-quality attractions and products that can (perhaps with some minor modification) be ready to sell to particular segments of the European tourism market. The emphasis is on particular segments of the market. A match must be found between what BiH offers and the potential tourists that would be happy with the current level of facilities and services.

The consultant undertook trips to the three regions between 30th March and 19th April 2005. As well as visits to prominent and lesser-known tourist attractions, he met with numerous tourism stakeholders from both the public and private sector to assess their capacity, professionalism and knowledge. Full details of the consultant's itinerary are provided within the separate trip report.

Since the BiH Cluster Competitiveness Activity (CCA) works with tourism clusters in three regions of BiH, this report will look at the country's competitiveness from a regional perspective, although there are a number of cross-cutting issues that apply equally to all three regions.

Following from this introduction is a summary of conclusions from the various donor reports that were furnished to the consultant. These reports have been useful in providing the consultant with background material on the BiH tourism industry and are summarised to put into context the recommendations that follow.

The fourth section of the report examines BiH's approach to the destination marketing of the country and comments on the successes and failures of this approach. It then goes on to highlight the cross-cutting tourism issues that each of the three regions faces.

The sixth section of the report highlights the products that the consultant feels each region could promote (with justification) and the markets to which these should be promoted.

This is followed by a list of priority recommendations for the short term, designed to catalyse the region's development and increase visitor arrivals from Western Europe.

A separate analysis of the potential opportunities for working closely with the Croatian tourism industry is presented under the Herzegovina region.

Summary of Donor Conclusions relating to the BiH Tourism Industry

A number of donor organisations have given some input into the BiH tourism industry. Each organisation has targeted different sectors of the industry yet has come up with their own analysis of the sector as a whole. The major points from the donor reports furnished to the consultant are outlined below, followed by a comprehensive SWOT analysis amalgamating comments from all reports.

USAID Cluster Competitiveness Initiative

A USAID CCI project report suggests that although there are obstacles to tourism development (lack of qualified human resources, inadequate infrastructure, inefficient transportation, poor promotion, weak international image & land mines) these could be overcome through public private partnership and through a cluster ready to tackle them. Furthermore the report suggests that BiH has a large number of attractions that could be utilised by the tourism industry. They point out that some attractions require investment before they could be effectively marketed but that there are many other sites that will adequately serve the international market or that can be easily brought up to international standards.

The report suggests that the country lacks a tourism vision although there is general acceptance that it may meet the demands of healthy and active vacations supported by natural, cultural and historic attractions. There is a lack of organised cooperation and vertical linkages within the industry.

Target groups for focus include: domestic tourists, international business visitors, family/friends visits, packages from Croatia/Montenegro coast, packages with similar destinations in neighbouring regions of Croatia/Slovenia/Serbia, and short breaks from European destinations. All these segments are said to require a tailored marketing approach.

Under the USAID CCI project, the following tourism activities were undertaken:

- Developed SWOT analysis
- Established cluster working groups
- Supported ITB fair participation
- Established 10 tourism products
- 'E-marketing your tourism business' workshops
- 'International Tourism Market Trends' & 'Harmonization of Tourism Laws & Policies' presentations
- Investment opportunities presentation in USA
- Distributed 175 press kits
- Tourism poster competition
- 'Strategic Communications in Development' workshop
- Tourism Communications Toolkit
- Cultural Tourism Workshop in Sarajevo
- Best practices report on national parks
- Spas promotional brochure
- Customer service workshops
- European Tour Operators Directory
- Best practices with school groups report
- Best practices of Tourism Organisations report

JICA

A July 2004 report undertaken by JICA entitled 'The Study on Sustainable Development through Ecotourism in Bosnia and Herzegovina' provides a detailed analysis of BiH's tourism industry.

In discussing the structure of tourism within the public sector, they highlight the difficulty in collecting the relevant private sector taxes (income & hotel tax) due to evasion, lack of inspectors and the purely symbolic role of the state level Tourism Community of BiH.

JICA undertook a small study of tourism guidebooks for the region to assess BiH's position in the international tourism marketplace. At the time, there were no guidebooks specifically focusing on BiH. Of four guidebooks identified, they found that BiH was poorly emphasized in terms of the number of pages dedicated to each destination, the number of areas/sites featured in each destination and the number of resources featured in specific areas. The only identified BiH locations were – Sarajevo, Travnik, Banja Luka, Bihac, Mostar, Blagaj and Medjugorje.

Comparing BiH to its neighbouring countries in terms of international arrivals, tourist accommodation and international tourism receipts, they found that BiH was the smallest destination in terms of arrivals. It also has the smallest accommodation capacity. Despite Serbia and Montenegro having 7.3 times more tourism nights than BiH, total tourism receipts are similar, at around 80 million Euros. An interesting point the JICA report raises is the dependence of BiH on its neighbours (53.1% of total arrivals) compared to Slovenia, Serbia & Montenegro and Croatia that rely mainly on the rest of Europe.

Results of Survey of BiH Inbound Travel Agencies

- Most agencies small scale – 4-8 permanent all-year-round employees
- Most focus on domestic outbound tourism (higher yield, ease of sales, no promotion needed) and domestic tourism (volume compensates small yield, established contacts, ease of sales) rather than foreign inbound tourism (relative small yield compared to its complexity of works involved, promotion material production, overseas promotion/sales needed)

- FBH agencies focus more on Sarajevo/Mostar cultural tours, event/conference tours and winter packages. RS agencies focus more on spa tourism and summer tourism
- BiH agencies believe that saleable tourism products include:
 - Winter tourism (ski)
 - Summer tourism (student/pupil excursions, youth camps)
 - Spa tourism
 - Religious tourism
 - Culture circuit tourism (Mostar, Sarajevo, Travnik, etc)
 - Soft adventure tourism (rafting, kayaking, canoeing, spelunking, trekking, climbing)
 - Nature/scenic discovery tourism
 - Eco/rural tourism
- The attractiveness of BiH as a destination was considered to be attractive enough (28%) or with a bad image (44%). Views on attractiveness included 'attractive enough to potential tourists', 'Insignificant/little interesting destination', 'High risk level destination for Europeans' and 'Safe destination for prospective/potential Asian markets'.
- Types of tourists – Domestic (student/pupil excursions, winter package, spa package, rafting, spelunking) and Foreign (religious packages, culture circuits, rafting and hunting)
- Lengths of Stay – Foreign Tourists (1-3 days, mostly in transit to/from Croatia and CIS visitors stay longer)
- Promotion – Brochures (English, German, French, Italian), some brochures in Japanese and Dutch, promotion growing in Poland, Czech Republic, Slovakia & Hungary
- Weaknesses of BiH Tourism – no national policy for tourism development, inadequate marketing effort to match its position/potentiality, stereotype promotion/marketing presentation for target market, low level market segmentation/positioning strategy, inadequate level of human resources, general poor level of infrastructure and superstructure, low level of cooperation between public and private sectors, insufficient/incomplete privatization
- Threats from growing competition from CIS destinations
- Donors do too much on brochures and not enough on taking private sector to trade shows

A survey of Croatian Tour Operators showed that they believed there was tourism potential in Mostar, Medugorje and Sarajevo. They suggested that BiH was attractive enough, an interesting multi-ethnic destination, had a rich cultural tradition and preserved nature, had consequences from war and suffered from a poor destination perception. Weaknesses identified included political stability, demilitarization, overall infrastructure and tourist infrastructure.

Two very important points emanate from the Croatian travel agency survey. Firstly, they suggest that BiH tourism needs more unique and indigenous products, more aggressive marketing and better tourism organization.

Secondly, the survey demonstrated that Croatian tour operators naturally want to sell their own products. In most cases (60%) BiH was featured as an added or integral part of their packages to enhance the appeal of their Croatian offer, which does not help enhance the image/appeal of BiH.

The JICA report also highlights the following:

- Underutilisation of accommodation – Average occupancy rates of 25.2% in BiH (18.1% in FBiH and 43.1% in RS)
- Need to improve airport facilities (runways, apron, navigation facilities, security)
- Road network needs improvement since the majority of European travellers use road travel to reach destinations (maintenance more of a priority than new road construction)
- Potential for rail transportation particularly between Sarajevo and Mostar
- Internet service and capacity are limited
- In terms of development of Ecotourism in their two pilot areas, the study recognizes little local initiative, little market-oriented mentality, few financial resources, little know-how and skills, and little external support.

GTZ

GTZ in a 2003 report entitled 'Tourism Potentials of Bosnia & Herzegovina' list the following points to illustrate tourism potential:

- BiH are part of a culturally and historically very interesting region, which has been shaped for thousands of years by peoples of different origins and varying cultural and religious orientations
- BiH offer an interesting and varied landscape (mountains, forests, rivers and lakes) and a unique natural feature (e.g. the only genuine primeval forest in Europe). A narrow coastal strip gives BiH access to the Adriatic Sea.
- European and oriental cultural elements meet in BiH (numerous monuments – mosques, churches, cloisters and monasteries, castles, etc – still bear witness to these elements even after the recent war) and combine with the austere naturalness of the Balkans to form an interesting mixture.
- BiH is located in the heart of the Balkans and can be reached by car/bus from the interested European markets
- BiH form the hinterland for the narrow strip of Dalmatian coast belonging to Croatia.

Weaknesses highlighted include quality of road infrastructure and accommodation, lack of investment in infrastructure and preservation of historic monuments, lack of awareness in tourism opportunities, lack of strategic concepts and weak institutions and organizations.

They also highlight:

- Lack of well-trained staff in hospitality industry
- Lack of focus on international markets within hospitality industry
- Poor quality (sanitation, furnishings and cleanliness) within hotels and lack of international standards
- Lack of pricing transparency
- Poor quality of spas
- Slow transition from large professional travel organizations to small specialist operators
- Lack of inbound operators and for those that do exist reliance on other travel agency services for making profit
- Marketing materials often unappealing and prepared without objectives or a target market in mind
- Lack of network of tourism information centres
- Lack of educational courses (academic and vocational)

Existing demand for BiH is based around:

- FIT or self-drive tourists from Western & Eastern Europe
- Excursions and day trips from Dubrovnik (Medugorje, Mostar, rivers & nature reserves)
- International residents of BiH
- Religious pilgrimage to Medugorje
- Excursions and day trips from Plitvice in Croatia
- Skiing (mainly regional demand)
- Transit tourists heading to the coast
- Domestic tourism

They argue for:

- Sensitisation of government agencies to the importance of tourism
- Preparation of a development strategy stipulating a model for the future development of tourism and outlining the required measures, while setting priorities and describing the funding required, as well as the jurisdictions and responsibilities of the parties involved in an action plan.
- Commencement of a general image / marketing campaign to present the opportunities and potentials which BiH has to offer, both inside and outside the country. This will not only benefit the development of tourism, but will also help make BiH more interesting to investors.
- Provision of support to institutions: Consulting services to government agencies regarding the implementation of the development strategy and the initiation or support of associations and organizations

- Identification of the pilot regions based on this general development strategy, advising these regions with regard to the preparation of their regional concepts and accompanying them in the implementation thereof. Reinforcing local associations and developing SMEs relevant for tourism are to be given priority in this context.

TEMPUS

The European Union supported education in tourism until 2004 through their TEMPUS project that trained 23 junior managers to a post-diploma level. The consultant was provided with a report entitled 'Towards a Strategy for Tourism and the Cultural Industries of BiH' that combined individual reports in the following subject areas:

- Geographic and Environmental Aspects
- Tourism Offer
- Marketing Aspect
- Economic Aspects
- Social Aspects
- Institutional Aspects

The TEMPUS report in Marketing is particularly useful and gives a sound summary of the approaches BiH needs to undertake. The three students suggest that the international target market should include 'high yielding segments such as MICE, heritage and cultural tourists, backpackers, study tourists, international Diaspora, adventure tourists and ecotourists'.

Additionally, they come up with three broad marketing objectives and activities to meet those objectives.

(1) Maximise the economic yield from Tourism

- Specifically target high yield segments
- Encourage repeat visitation
- Remove administrative barriers to travel (visa regulations)
- Encourage longer stays and regional dispersion
- Develop year round tourism via product and segment development
- Encourage product, market and segment diversification
- Encourage greater transport access for international and regional visitors (air, coach, train) Eg: Budget airlines such as 'Snowflake' ex Copenhagen.

(2) Increase Awareness of BiH

- Brand «*Bosnia – Herzegovina*» development.
- Development of an integrated communication strategy
- Development of an *Events-Festivals* strategy and maximize leverage via publicity.
- Increase awareness of the benefits of tourism to the development of BiH to both the general population and the relevant government authorities.

(3) Support Private Sector Marketing

- Assist the distribution of private industry tourism product (Information centres, web site, trade show support Eg: WTM, ITB, Independent Travellers World)
- Develop an effective research strategy, including the distribution of visitor arrivals and departure statistics and specific segment analysis to the industry.
- Improve partnership with key stakeholders in the BiH tourism industry and facilitate communication within the industry about new developments.

The consultant agrees with almost all of the objectives listed in the TEMPUS report, although considers not all of them to be of a short-term nature. Those underlined reflect what the consultant believes can be achieved and many of them are included as part of the recommendations outlined later. Further review of the marketing report is advised for other relevant suggestions.

SWOT Analysis Based on Amalgamation of Donor Reports

TOURISM CLUSTER SWOT ANALYSIS	
Strengths	Weaknesses

<ul style="list-style-type: none"> • Diverse cultural heritage • Natural beauty, pristine environment • Access to the Adriatic and from European markets • Competitive prices • Numerous religious sites • High-quality attractions • Rich with thermal waters – potential for spas • Hospitality • Presence of international community and Diaspora as tourists and marketers • Previous image – Tito & Olympics • Geographic location – proximity to markets • Diverse climate – year round offerings 	<ul style="list-style-type: none"> • Lack of coastline • Dependent upon Public/Private Finance • Poor quality infrastructure, including lack of hotels near attractions in some regions • Weak public transportation system (trains) • Inadequate investment in infrastructure • Lack of world-class, well-known attractions and tourism products • Accessibility to the country & cost • Weak environmental protection, particularly waste management • Requiring Significant Timeframe • Very poor marketing and promotion, sporadic in nature • Land mines & safety issues • Weak government recognition of tourism as strategic for economic development, particularly on state level • Administrative barriers – tax, incomplete privatization, poor regulation • Lack of education (vocational and academic in tourism and training • Insufficient and inadequate inspection services • Short-term Solutions Possible • Weak customer service skills & human resource capabilities • Negative international image as a result of the war • Lack of belief in creating a prosperous and successful inbound market – little local initiative • Poor know-how and skills amongst professional trade associations – no market-oriented mentality • Dependence on regional market • Few inbound tourism operators • Poor private sector structure and public/private cooperation • Low occupancy rates • Short lengths of stay • Lack of tourism vision • Lack of international standards
Opportunities	Threats

<ul style="list-style-type: none"> • Proximity to other premier European destinations (Croatia, Slovenia) • Possibilities of developing packages to attract visitors already in the region – transit tourism • Proximity to markets in Europe, Middle East, Asia • Redevelopment of skiing and winter sports • Potential for niche market travel (culture & religious heritage, adventure, sports, health) • Potential for MICE market • Re-establishment of contacts between former Yugoslav entities to provide full tourism packages that link health spas with the coast and mountains in both Croatia and Serbia. • Marketing through expatriates • Accommodation investment • Educate citizens on importance of tourism industry and environmental protection 	<ul style="list-style-type: none"> • Strong regional competitors (Croatia, Slovenia) • Social and political instability between the Federation and RS • Environmental degradation • Urbanization • Inadequate financial support • Rising prices with little improvement in quality • Tax policies • Lack of follow-through on initiatives • Lack of national strategy • Lack of investment
---	--

Review of SWOT Analysis in Relation to CCA Project

The SWOT analysis (above) compiled from previous donor reports highlight a very large number of weaknesses in the BiH tourism industry. For ease of analysis, the consultant has broken these down into four groups; those that are unsolvable, those that require significant investment from the public or private sector, those that will require a significant timeframe to solve and those that are solvable in the short term.

Given the immensity of the tasks, it is unrealistic to expect a donor project with a limited budget and timeframe to be able to tackle everything. Furthermore, it is unrealistic to expect newly-formed tourism clusters with limited experience in cooperation, issues of trust, and negative views on their own industry capacity to be able to tackle everything. From the consultant's own experience, he believes that some weaknesses may not be solvable at this present time due to the level of development of a tourism industry; sometimes you just have to wait until a tourism industry is ready to solve weaknesses themselves!

Clusters faced with such a challenging SWOT analysis are likely to feel overburdened and despondent with the tasks ahead unless they can see a light at the end of the tunnel. The negative attitude of many existing tour operators and their unwillingness to adapt may be as a result of their awareness of the difficulties the industry faces.

The CCA must initially focus clusters on those weaknesses that can be realistically solved in the short term. A short-term strategy focused more on realistic objectives rather than ambition and on a few core activities that can create the greatest impact for stakeholders is likely to create motivation and enthusiasm. Motivation will then lead to greater cooperation and communication within the cluster and a belief that larger weaknesses can be tackled. The 'solvable' weaknesses can be broadly summarized as relating to:

- Product development
- Destination and product marketing
- Skills development
- Capacity building at a micro-level

These four issues match closely the CCA work plan tasks outlined below. Priority should be given to elements within those tasks in the order presented:

- Task 4 - Assist firms in identifying niche markets and improving the design, processing and marketing skills.
- Task 6 - Work with US and European tourism operators to promote religious and heritage tourism and visits to family and friends.
- Task 8 - Assist firms in improving customer service and assist relevant faculties in strengthening their hospitality programs.

- Task 2 - Fully integrate active working-group members into trade associations in the three sectors.

Many of the short term weaknesses can be overcome by targeting support to individual tourism enterprises, rather than a cluster or sector of the industry as a whole. For example, two or three enthusiastic tour operators in one region can make positive practical steps to improving private sector partnership, developing a regional image, working with overseas operators and perfecting human resource capabilities. Others in the industry will undoubtedly follow by example and that becomes the perfect opportunity for strengthening industry associations.

Destination Marketing of Bosnia & Herzegovina

A search using the words 'Bosnia', 'Herzegovina' and 'tourism' on the Google search engine brings up the following websites. Although it is satisfying to see the Tourism Association of Bosnia and Herzegovina at the top of the list, a quick flick through the others brings up the US State Department travel warning site and in the page description, the word 'Danger'.

[Tourism Association of the Federation of Bosnia and Herzegovina](http://www.bhtourism.ba/)

www.bhtourism.ba/ - 1k - [Cached](#) - [Similar pages](#)

[WorldSwitch.com - Bosnia-Herzegovina - Attractions, Tourism, Travel](http://www.worldswitch.com/Countries/Bosnia-Herzegovina/Tourism.html)

Directory of **Bosnia-Herzegovina** Attractions, **Tourism**, Travel.

www.worldswitch.com/Countries/Bosnia-Herzegovina/Tourism.html - 7k - [Cached](#) - [Similar pages](#)

[Bosnia Travel Guide @ TravelNotes.org](http://www.travelnotes.org/Europe/bosnia.htm)

Bosnia & Herzegovina country information with details about travel to and around the country. Where, Car Hire, Cruises, Flights, Hotels, Tours, Vacations ...

www.travelnotes.org/Europe/bosnia.htm - 42k - [Cached](#) - [Similar pages](#)

[Bosnia-Herzegovina Vacations & Tourism, Hotels in Bosnia ...](http://travel.yahoo.com/p-travelguide-473664-bosnia_herzegovina_vacations-i)

Bosnia-Herzegovina Vacations: Find comprehensive **Bosnia-Herzegovina** vacation and **tourism** information, including recommendations on things to do and where to ...

travel.yahoo.com/p-travelguide-473664-bosnia_herzegovina_vacations-i - 14k - [Cached](#) - [Similar pages](#)

[Bosnia-Herzegovina travel | Lonely Planet World Guide](http://www.lonelyplanet.com/destinations/europe/bosnia_herzegovina/)

Provides a profile of the country, brief history, travel warnings and map.

www.lonelyplanet.com/destinations/europe/bosnia_herzegovina/ - 32k - 15 May 2005 - [Cached](#) - [Similar pages](#)

[Bosnia-Herzegovina](http://travel.state.gov/travel/cis_pa_tw/tw/tw_938.html)

... **BOSNIA-HERZEGOVINA**. December 27, 2004. This Travel Warning has been revised to ... citizens of the potential danger of travel to **Bosnia and Herzegovina**. ...

travel.state.gov/travel/cis_pa_tw/tw/tw_938.html - 30k - [Cached](#) - [Similar pages](#)

So what does the State Department have to say about travel to BiH? The highlighted paragraph below provides a snapshot of the image that is being promoted. The information may be factually correct, but such ease of access to this information worldwide reinforces the image of BiH as an unsafe destination for all travellers.

The Department of State warns U.S. citizens that there are still risks from occasional localized political violence, landmines, and unexploded ordnance in Bosnia and Herzegovina. Local violence may occur without warning, related to political developments in the country. Criminal activity has also been on the rise, particularly in urban areas with a marked increase in reports of residential break-ins, vehicle and petty theft. There exists a substantial organized crime presence in several parts of Bosnia and Herzegovina; however, violent confrontations between rival criminal elements pose little direct threat to Americans. Travellers are warned to exercise additional vigilance in urban areas to avoid being victimized during confrontational crime.

Although mine and unexploded ordnance clearance continues, there are still areas that are deemed unsafe by international de-mining organizations. Estimates vary, but a conservative

figure suggests that more than 500,000 mines and other unexploded ordnance remain uncleared. While urban areas have been declared “mine-safe,” the location of some minefields is unknown and the de-mining community recommends remaining on hard-packed surfaces. Abandoned and destroyed buildings and orchards should not be approached, as uncleared mines still surround them. Families travelling with children should be especially aware of this danger and make sure the children do not stray from safe areas.

US Department of State (http://travel.state.gov/travel/cis_pa_tw/tw/tw_938.html)

Simply mentioning the word ‘Bosnia’ portrays, amongst many (including potential travellers) an image of a poor and depressing war-torn country full of shelled and ruined buildings and religious fanatics walking the streets. When the consultant informed his family and friends that he was travelling to BiH they immediately jumped to these conclusions without any current knowledge of the political or economic situation. In fact, such comments made the consultant more wary of his safety prior to travelling.

Marketing BiH as a destination will be difficult given the negative images ingrained in people’s minds and the lack of budget for a powerful and positive campaign. The country promotional brochure lists various USPs and provides descriptions of the regions but there is not one mention of the war, when one might expect there to be in such a broad marketing piece. The tag line ‘Heart Shaped Land’ suggests that the country is trying to hide from their past and hide their past from visitors. This is a mistake. Anyone visiting through Sarajevo is going to become aware very quickly and dramatically that the city was once a war zone and perhaps have their expectation of the country ruined by reality.

The consultant does not suggest that the war and its impact become attractions but in a brochure summarising the country, its culture, history and landscape, its recent past cannot be avoided. Emphasis should be made on all the positive steps that the country has taken and the changes that have taken place.

Public perceptions are cruel, unfair and prejudice destinations when the reality is obviously very different. However, destinations must learn to deal with this prejudice by employing tactical marketing techniques. Even now in the news, the word ‘Bosnia’ is used when talking about The Hague war crimes tribunals and reminds potential visitors of the troublesome past. Avoidance of these words may help the tourism industry to flourish.

BiH is not the only country to face such obstacles. Uzbekistan will now be perceived by many to be an unsafe country to visit when in fact recent conflict has only occurred in the Ferghana Valley region, a small part of the territory, geographically and politically distant from the major destinations of Samarkhand, Bukhara and Khiva. Rwanda, Lebanon. Nicaragua, Northern Ireland and Libya have also faced the task of promoting that their countries are now safe for visitors. In fact these ‘Phoenix’ destinations have often shown strong arrivals growth as visitors endeavour to experience the transition period.

BiH’s tactical marketing must focus public attention and awareness on particular regions of the country and specifically, products and activities that are in those regions. Certainly the names ‘Krajina’ and ‘Herzegovina’ are not associated as much as ‘Bosnia’ with the war and should be used heavily in promotional efforts. For example, using the same Google search engine, a search using the words ‘Herzegovina’ and ‘tourism’ don’t bring up the State Department website until the next page. Mostar is a name familiar to many but the consultant believes the negative connotations associated with it have begun to be lost. Region’s should not be representative of political boundaries (such as the Federation and Republika Srpska) but of cultural and natural boundaries.

Cross-Cutting Issues for BiH’s Three Tourism Regions

Promotion

The promotional brochures and websites for BiH and the three regions vary in terms of quality but all have one thing in common. Despite their factual content; lists and photos of attractions, maps, contact details for hotels, national parks, etc, they remain factual documents. ‘Come Discover’ the tag lines say. But what is there to discover? There are plenty of attractions listed to see, but ‘discovery’ refers to something requiring exploration, investigation or a chance

encounter; in essence an experience. The brochures create awareness but do little to encourage visitors to come to the country. An analogy would be to present a gourmet enthusiast with the ingredients for a recipe rather than the delicious end product. Tourists want to know, as well as what they will see, what they will feel, hear, smell, taste and experience.

To illustrate the point, the excerpt below is from the Government of Rwanda website.

“the lushly forested slopes of the mountains form an appropriately dramatic natural setting for what is arguably the most poignant and memorable wildlife experience in the world: gorilla tracking. The exhilarating climb to the gorilla’s natural habitat of shady bamboo forest offers fantastic views in all directions, before the trackers are immersed in the mysterious intimacy of the rainforest, alive with the calls of colourful birds and the chattering of rare golden monkey..... nothing could be more of a privilege than to spend an hour watching the gorillas as they go about their daily routine, feeding, playing and resting, as you question your primeval existence and relive the wonder that kept Dian Fossey living in the forest for almost 18 years”.

They are selling an experience not just good views, forests and gorillas.

BiH and the three regions do not promote a consistent image of the country. The design, logos, style, layout, structure, colours, paper quality and brochure sizes vary. Apart from three Herzegovina brochures, it would be difficult for anyone at first glance to associate them as being related to the same country. Such an oversight means that the country/regions are losing promotional impact. BiH or its regions are going to remain familiar to potential visitors if they quickly identify a strong brand from the destination. Even within the regions, the brochures vary widely; the Canton Tourism Board brochures for Herzegovina look completely different to the brochures promoting the Mount Velez region (produced with assistance from JICA). The website for Herzegovina Neretva Canton looks completely different to the website for the Federation website. One only has to look at the promotional material for Dubai or India to see the impact of having consistency in the image being promoted.

Many of the brochures and websites viewed by the consultant are tidy with good layout. Yet the same mistakes continue to be made – the quality of the English text, mixtures of British and American English in the same promotional piece, lack of blue skies and happy tourists in the photographs, pictures of tourists involved in adventure activities not wearing safety equipment (helmets, life-jackets).

Of course, there are good and bad examples of promotional materials. The Federation tourism website is clean and attractive and the Herzegovina-Neretva Canton tourism website is scruffy and in desperate need of a makeover.

Infrastructure

Infrastructure has been highlighted by many of the previous donor reports as distinct obstacle to tourism development. The quality of roads tends to get the greatest amount of blame yet there are many tourist destinations around the world with a far worse road network that receive larger numbers of tourists. The key is to attract those tourists for whom the quality of the road network is not likely to be a big issue.

This is not to say that infrastructure should be ignored. For BiH to mature as a destination it must pay attention to these issues but the current state should not be seen to be a major obstacle. There are some infrastructural issues that should be considered more of a priority in the short term. These could include internet accessibility, the sanitation and water infrastructure in places like Medugorje that have seen large increases in urban construction, urban planning in the same location that is turning a religious pilgrimage site into a theme park.

Another area of concern expressed is the lack of accommodation and accommodation quality in particular areas. The fact is, like the promotional materials there are good and bad examples of accommodation. In Mostar, you have the Bevanda hotel at the top end of the market and the Bristol at the bottom end. But hotels are not the only form of accommodation. What perhaps BiH lacks is an acknowledgement that there are many types of accommodation demanded by foreign visitors. This is beginning to change with a larger number of small hotels being constructed and private apartments being made available for rent. But where are the campsites, the youth hostels and rural bed and breakfast accommodation establishments? The consultant visited a fantastic rural house in Krupa na Vrbasu in Krajina

owned by a local fish farmer that is available for rent. Places like this just aren't marketed to their full potential and there does not appear to be any organisation to collectively represent bed and breakfast owners.

Infrastructure investment will come eventually when the number of arrivals increases. At the current level of tourism maturity it is unrealistic to expect significant financial investment either from the public or private sector.

Market Research and Market Knowledge

The lack of tourism operators focusing on the inbound market may be a reflection of the lack of market research that has been undertaken on tourism demand or satisfaction levels of current visitors. The only relevant research viewed by the consultant was undertaken by JICA and focused on the viewpoints of both BiH and Croatian travel agencies, neither of which produced particularly positive results.

A number of tour operators met had a feeling that the country was not ready to welcome tourists from further a field than the former Yugoslavia or that if they should visit, they would not want more than a day trip into Herzegovina. On what grounds are these opinions formulated? A few uncoordinated attempts to serve other European tourists?

The consultant doesn't believe that attitudes will change easily amongst tourism stakeholders even if up-to-date international research, trends and statistics are presented to them. The existence of inbound tour operators receiving greater number of visitors or perhaps the undertaking of a comprehensive international visitor survey will have some impact.

Education and Training

Human resource capacity, lack of training and educational courses, poor customer service skills and lack of knowledge amongst public sector and private sector trade associations have been highlighted by previous donor reports and stakeholders during the consultant's visit as obstacles to tourism development.

In a mature tourism destination, there would be both academic and vocational tourism courses offered by a variety of universities and institutes, short-courses run by business development service providers, and on-the-job training provided by larger employers. Perhaps the fact that universities in BiH have previously offered academic courses and have now stopped is an indication that the country is not ready for a widespread industry training and educational program. Universities report that there is little demand for tourism-related courses as a result of a perceived image that there is little money to be made from employment in the sector.

Tourism education and training is important but upgrading skills and knowledge may better be performed by undertaking it at a cluster level between a few enthusiastic enterprises, within an interested group of individuals or with individual companies. This may be more difficult and more costly to arrange to begin with but is likely to bring about more sustainable results that are easier to measure. An example of such an approach is the planned training for rafting skippers organised by Sport Bjeli in Krajina, where instructors from the International Rafting Federation will come to the region to certificate skippers to international levels.

The consultant doesn't believe that academic university courses are fundamental at this stage to the development of a successful tourism industry. There are currently some very enthusiastic and experienced entrepreneurs that can take the industry forward. What they require is staff to work for them with the necessary vocational skills to provide satisfaction for clients. Attention should be paid to increasing the skills in the following areas:

- hospitality and customer service in hotels
- accreditation and certification to international levels for adventure sports providers and guides
- guide training – focusing on presentation and communication skills rather than just general knowledge
- basic marketing for adventure clubs and societies
- specific marketing courses for tour operators and hotel managers

The most significant results are likely to be observed from providing one-on-one business advice to individual tourism enterprises. A report stating that 20 people were trained in internet marketing may sound impressive but it is insignificant if only one participant implements changes as a result of their attendance. On the other hand, assistance to one enterprise may not sound like a good use of time, yet if as a result he starts to work with an overseas operator bringing 50 high paying clients to BiH each year, the results are cost-effective.

Regulations and Standards

One danger of a tourism industry not developing as quickly as they would hope is that the public sector, often with private sector support, starts introducing a number of laws and regulations. In fact, once governments start the ball rolling in writing regulations, it is difficult to stop them. Regulations take a lot of time and effort to develop but very little of the tourism budget and therefore start to become appealing to tourism boards as an attempt to show that they are doing something. The end result is that well-intentioned efforts to support the private sector end up as hindrances either because consultation was not wide enough or did not take place.

Frustration amongst private sector enterprises is often a catalyst for regulation. In Medugorje, the small number of inbound operators is becoming frustrated by the large number of private accommodation enterprises establishing themselves as excursion providers. The tour operators feel clients are being stolen from them and see private entrepreneurs making money from tourism but not paying any tax.

The answer is not regulation within the tourism industry but the implementation of laws relating to tax collection, business registration and urban planning.

Tourism regulations should be significantly covered by existing laws and regulations pertaining to consumer protection, health, safety, hygiene and environmental protection.

Standards are by their nature, voluntary. However, stakeholders in BiH, particularly within the hospitality sector, appear confused by the term. A 'standard' is not implemented to raise 'standards' although this is often the misconception. The head of the Hotels and Restaurants Association wanted a hotel standard to be concreted by law in order to raise accommodation quality. His idea of a standard and resulting hotel classification would essentially be based on room sizes alone! A better approach would be to provide individual and small group assistance to hotels and other accommodation establishments with guidelines on how to provide good quality facilities and services for visitors. The problem with the existing approach is that it appears the RS already have a standard and people in the Federation want to join them. Yet, the result will be that within one country you will have two conflicting systems of classification that will obviously confuse overseas visitors. It is often the ignorance of a few determined private sector individuals that leads to the development of unnecessary regulations that turn out to be restrictive shortly after they are adopted.

Tourism Enterprises

BiH tour operators concentrate largely on the domestic, outbound and excursion markets, believing that inbound tourism is too difficult, unrewarding and unprofitable. There are few tourism operators actively seeking to attract increasing numbers of inbound visitors; those with the greatest enthusiasm are individuals, sports clubs and societies.

Many of the tour operators visited have a belief that they are not ready to attract the much more demanding clients of Western Europe. They come across as very confident in their knowledge and skills, rarely criticising their lack of ability, yet clearly lack up-to-date market knowledge and the skills necessary to start working with overseas tour operators. The lack of tourist arrivals is put down to the inefficient tourism boards that are obviously under funded because tourism enterprises fail to pay their contributions.

There are good and bad hotels and some that are clearly in the middle. It is impractical to believe that standards of service and the range of facilities can be improved in all hotels throughout the country, particularly from a top-down approach imposing regulations on accommodation providers. Guidance and support should be given through the cluster approach working alongside a small group of accommodation providers that already prove to have suitable facilities or those expressing a willingness to upgrade. Customer service levels

tend to be the biggest issue for many hotels. These can be resolved. Hotels requiring significant investment in upgrading or renovating rooms and facilities are less likely to see dramatic improvements in the short term. Attempts must be made to include a greater diversity of accommodation choices. As previously mentioned, alternative forms of accommodation do exist and they are growing. Rural bed and breakfast establishments and cottages such as those constructed by Una Kiro can provide comfortable, clean and satisfactory facilities for a great number of foreign guests.

Adventurous pursuit providers, such as Una Kiro Rafting, Sport Bjeli, Extreme Sports, Climbing Club Extreme, Ponir Caving Club, Kayak Canoe Club Vrbas and Rafting Club Canyon, all showed enthusiasm for becoming more involved in providing services to foreign tourists. Such enthusiasm must be harnessed. Many of the clubs already had suitable equipment; others need some assistance in procurement. Without guidance, it is unlikely that these clubs and societies will develop into inbound operators. This is not ideal as service providers should remain focused on providing safe and well-instructed activities rather than concentrate on the complicated logistics and marketing involved in bringing groups to BiH. Essentially, they need to be partnered with willing inbound operators.

Institutional Capacity

The structure of the public sector organisations involved in tourism is quite simply complicated and in disarray. The consultant, despite numerous efforts to understand the roles, responsibilities and policies of the various levels of public sector tourism organisation, could not get a complete picture.

What is clear is that the cantonal level organisations in the Federation and Municipal level organisations in the RS are the most proactive. They are the organisations working most closely with the private sector enterprises and associations and appear to be achieving the most significant results, although the quality and value of those results are questionable.

There is a need for an active and effective national level public sector body to coordinate the destination marketing efforts of the cantons/municipalities and to develop long term strategies that coordinate all the lower level tourism organisations in both the Federation and RS. However, tourism organisations at entity level do not serve any particular purpose other than to complicate decision making and policy. The consultant understands the complications in making changes to the political structure of tourism in BiH and therefore suggests that focus is paid to the lower level associations/organisations.

The cantons and municipalities have a role to play in marketing their respective regions but such a role cannot be undertaken effectively when they are unable to gather all the funds owed to them. The consultant gave advice to the Tourism Community of Una Sana Canton in Bihać in collecting payments that bypassed the policy of using the inspection system. But in essence, the government tourism communities/associations/organisations need support from donor organisations to start providing recognisable services to private sector enterprises within their regions. This may take the form of providing interpretative facilities at attractions, establishing signage, organising training events, producing high-quality printed and multimedia promotional products that can be used by the private sector, disseminating relevant industry information or arranging familiarisation visits for foreign visitors and journalists. Once the private sector recognises the benefits local government can provide, they will be more willing to pay their dues and it is much better for dues to be paid willingly rather than collected under duress.

There are few private sector associations that appear to be functioning satisfactorily. The consultant has concerns over the activities and motives of the Hotel and Restaurant Association and the Travel Agency Association. Given the structure of the public sector, the lack of trust exhibited between tourism enterprises and the need to focus on marketing regions within BiH rather than the country as a whole, there may be greater value in supporting regional associations such as the extreme sports association in its early stages in Banya Luka.

Cantons in the Federation and municipalities in RS should be encouraged to cooperate where there is a mutual interest and benefit. For example the Herzegovina Neretva Canton Tourist Board and the Banya Luka Tourism Organization could work effectively on promoting

adventure tourism together at adventure travel fairs overseas, since both regions have great potential in this segment.

Herzegovina

The Herzegovina region has perhaps the greatest diversity of potential tourism assets, although individually none of them are internationally significant or saleable. However, in combination within one another and inserted into a themed itinerary, they can create a valuable tourism experience. The most significant opportunities lie in the adventure tourism, cultural heritage and ecotourism/rural tourism markets

Adventure Tourism

The region's landscape is undoubtedly impressive. Within a relatively small area, visitors can experience rocky mountain terrain, steep canyons and gorges, lakes and rivers, forests, fertile plains and rolling hills. Much of the region is very rural and it is not difficult to get away from urban lifestyles. However, it is unlikely that tourists will travel to BIH just to see it. There are plenty of other locations within Europe that compete on landscape quality.

However the quality of the landscapes combined with an active adventure pursuit such as walking/trekking, cycling, caving, climbing or rafting and elements of the Herzegovina culture will make the destination appealing. For this segment of the market, the adventurous pursuit should be seen as the primary attraction and be supported by the diverse and landscape and cultural elements.

For example, a trekking or cycling itinerary could take tourists to the best viewpoints, through a variety of landscapes, allow plenty of stops for taking photographs, allow them to visit small villages to taste the local wines and cuisine, and experience aspects of rural culture.

Caving itineraries could enable both experienced and amateur speleologists to visit a variety of caves each displaying different geological formations, spending time with local experts, the chance to discover new caves and the chance to participate in national cave research.

Of course, not all cavers, cyclists or trekkers are the same and tourism enterprises will need to alter elements of the itinerary to match specific needs. For example, adventure tourists can be sub-segmented according to:

- Age
- Level of ability or fitness
- Level of experience
- Required length of trip
- Proportion of trip taken up by main activity
- Frequency of undertaking adventurous pursuit holiday
- Preference for trip arrangement – self-arranged or through tour operator
- Group sizes
- Travelling companions
- Level of risk in activity
- Preference for accommodation – camping, hotel or bed & breakfast

Each tourism enterprise will need to decide how they wish to specialize, whether they want to provide a variety of adventurous pursuits to a particular segment based on, for example, level of fitness, or whether they want to provide one particular pursuit to all those individuals with an interest. Following trends in the European market may help them to decide:

Profile of the European Adventure Travel Market

- Adventure travelers like to travel to 'undiscovered' or little visited destinations
- 45% independently organized, 55% organized through a tour operator
- Germany, UK, France and Netherlands generate more than 50% of total adventure market within Europe
- Soft adventure predominates representing more than two-thirds of market
- Walking (gentle rambles to mountaineering) are major activity followed by cycling
- Clients in search of an element of challenge, excitement and self-fulfillment
- Most travelers 36-55 years of age, 26-35 age group more interested in hard adventure, 56-70 age group more interested in soft adventure
- Couples are largest group of adventure travel clients, although individuals is significant

- Growth in adventure travel in Eastern Europe, where products offer a cultural element
- Most tour operators in this market are small and medium-sized that use the Internet as a means for selling their products
- Soft adventure travelers undertake activities that have a perceived risk higher than the actual risk
- Soft adventure travelers tend to require higher levels of comfort than hard adventure travelers

In order to build appropriate itineraries, tourism enterprises will need to gain a full geographic knowledge of the region, its cultural and historic attractions, a variety of potential accommodation establishments and restaurants, ideal campsites and bed and breakfast establishments. They need to be able to identify which elements of culture may be of interest to their clients and innovate to include these within the itineraries to increase the tourist's experience.

They then need to be able to market their products effectively, identifying potential overseas partners and researching them thoroughly before contacting them and/or establishing a fully functioning website that provides a great variety of information and perhaps an online booking facility. They may need to produce brochures to help promote their itineraries but careful consideration must be given in the design stage, as to their target audience.

All of these steps seem very simple but if implementing marketing was as simple as the theory, BiH would be receiving a greater number of tourists. Tour operators need to have the one-on-one assistance and support to enable them to take the necessary steps of creating long-lasting relationships with overseas operators.

The Canton tourism communities/associations/organisations must work with the private sector to identify the most appropriate ways of supporting their product development and marketing objectives through the formation of a long term strategy.

Local governments too, can be a useful source of support, particularly in regards to bureaucratic policies or regulations. The Mayor of Stolac, for example, showed great interest in bringing more tourists to the town. His reputation and position could be levered to create results.

Adventure tourism rarely requires large amounts of investment. Participants tend to favour new destinations and are willing to accept lower standards of accommodation and infrastructure.

Outlined below is a broad segmentation of the adventure travel market that may be of assistance to tour operators.

Product/Offering	Price Level	Geographic Markets	Demographic Markets	Distribution Channels	Promotional Methods
Walking/Trekking Cycling/Mountain Biking	Low	UK, France, Germany, Italy, Benelux	Gap year students, young groups, SINKs, DINKs, Empty Nesters	Internet, Overseas Tour Operators, Retail Travel Websites, Walking, Mountain & Cycling clubs/societies	Internet, Adventure Travel Magazines, Special Interest Magazines, National Newspapers, Adventure Travel Fairs
Rafting, Canyoning, Kayaking, Climbing, Caving	Low	UK, Germany, Eastern Europe, Italy, France, Benelux	Gap year students, Families, young groups, corporate groups, SINKs, DINKs	Internet, Overseas Tour Operators, Retail travel websites, Specialist sports clubs and societies	Internet, Adventure Travel Magazines, Special Interest Magazines, Adventure Travel Fairs
Multi-Activity	Low	UK, Germany, Italy, Benelux	Gap year students, Families, young	Internet, Overseas Tour Operators, Retail travel	Internet, Adventure Travel Magazines,

			groups, corporate groups, SINKs, DINKs	websites	Special Interest Magazines, Adventure Travel Fairs
--	--	--	--	----------	--

Recommendations for the Herzegovina tourism cluster in developing adventure tourism are outlined at the end of this chapter.

Cultural and Religious Heritage

As well as an outstanding environment, Herzegovina is also endowed with a wealth of cultural, historical and religious attractions. For the independent traveller, many of these attractions are well documented in a variety of local guidebooks (if you can find them). Unfortunately, though visitors may believe that these guidebooks provide just an insight into what can be learnt from visiting these sites, they are often disappointed by the lack of interpretative material available. For example, the Dervish Monastery at Blagaj appears in most of the region's tourism promotional materials yet when they go there, there is little to see or read, resulting in disappointment.

Similarly, guidebooks mention the 16th Century mosque in Blagaj but when the consultant visited it was closed and there was no sign of anyone nearby to open it up. Although JICA had been active in the village erecting a tourism information centre and various interpretation boards, the quality of the English text was very poor.

Hidden away in the rural village of Ljubuški is the Humac Monastery and museum. It was poorly signposted and showed no indication that tourists were welcome to visit. And yet inside, the monastery has created the most wonderful sculpture exhibition and has established a well presented array of ancient relics, jewellery and implements. Some of the exhibits were given English explanations but the monk was obviously not experienced in giving guided tours or providing information to visitors. As the CCI project report mentioned earlier, many attractions like the monastery and museum can be very easily brought up to international standards.

The museum in Trebinje could also be brought up to international standards with some time spent creating labels for exhibits and a small leaflet. One of the floors provided an ethnographic history of the town that was well presented with exhibits, photographs and interpretation in English. Unfortunately, the other two floors provided little of interest to see as there were no explanations.

Trebinje reportedly organises a series of cultural events during the summer months for local people. Such events would also be of interest to tourists if they were able to find out about them. Rural amateur performances can be just as enjoyable as professional city events.

Medugorje is undoubtedly the best known religious site although the variety of churches, monasteries and mosques make the region quite unique in terms of religious heritage. Tour operators in the town are quick to point out, quite rightly, that pilgrims are somewhat different to tourists in terms of the focus of their activities, attitudes and needs. Although the greatest number of tourists was seen back in the late 1980's, arrivals have consistently increased since the war. Word of Mouth and the number of repeat visitors will ensure that the site will continue to attract tourists whether there is active promotion or not. The problems in Medugorje surround the apparent lack of urban planning, the illegal operation of accommodation providers and the pressure of urban growth on public utilities. The amount of accommodation currently outweighs demand. Little attention needs to be paid to promoting the town much more than continuing to include it within promotional materials. The pilgrimage product should be what tour operators selling other products look to as an example of creating a tourism experience. There are meetings with the visionaries and priests, visits to local community-supported projects and musical performances.

Mostar is a complete surprise. Despite the celebrations surrounding the rebuilding of Stari Most, the town's recent history suggests to the visitor that the town would still be run down and resembling a war zone. However, it is completely the opposite. Mostar is very much a cosmopolitan town but with remnants of older eras. There is much to be gained from simply walking around the town and soaking up the lively atmosphere. However, it would also be

good to go on a themed walking tour of the city if one existed. The canton tourism community have produced a good quality map of the town listing some 26 cultural attractions, but for the average visitor, they are not sure which sites are worth visiting, which ones can be entered, which ones have further information and so on. The canton community could devise selected self-guided walking tours of Mostar of varying lengths that allow visitors to experience 'the story of Mostar' rather than a few attractions. The tour could be accompanied by recommended restaurants and recommended local dishes at those restaurants as tourists tend to be afraid of ordering foreign cuisines.

Profile of Cultural Heritage Tourists

- Popular for short break and specialist holiday markets
- Mainly female travelers
- 39-59 age group
- Tend to be better educated, have a broader travel experience, are quality conscious and sensitive to environmental and social concerns
- Holidays taken outside of peak seasons
- Higher than average spending, but
- Preference to stay in small character hotels of 2 and 3 star quality providing good service and comfort

Cultural tourism defined broadly as "encompassing all experiences absorbed by the visitor to a place that is beyond their own living environment", is a mainstay of the international tourism market. The World Tourism Organization estimates that 60% of European tourists are interested in cultural discovery. Moreover, culture has become a component in almost 40% of all international trips. The European Commission's Tourism Unit specifically define cultural heritage as "encompassing any cultural expression transmitted from the past and inherited by present day society". There is a distinct growth in interest of destinations within Eastern Europe and the former Soviet Union. One study highlights Prague, Budapest, Moscow and Krakow as being international cultural centers.

Product/Offering	Price Level	Geographic Markets	Demographic Markets	Distribution Channels	Promotional Methods
Cultural Heritage	Medium	UK, Germany, France, Italy, Benelux, Scandinavia	Young couples, SINKS, DINKS, Empty Nesters, Seniors, Diaspora	Internet, Overseas Tour Operators, Retail travel websites, Historical Societies, School/University Groups	Internet, General Travel Magazines, Sunday Travel Supplements, Travel Fairs
Pilgrimages	Low to Medium	Worldwide	Empty Nesters, Seniors	Overseas Tour Operators, Religious Magazines & Groups	Religious magazines

The BiH Diaspora may be an interesting group to target for Cultural Heritage tourism. There are reported 1 million Bosnians living overseas. The European Diaspora could be targeted through the various associations that have been established.

The cultural/religious heritage segments are broadly outlined above. The markets, channels and promotional methods explain the different approaches that must be taken for each.

Like adventure travel, the cultural/religious heritage segment can be further segmented according to accommodation preferences, willingness and fitness to undertake walking tours, depth of background information required, extent of travel to neighbouring countries, etc.

As the market profile suggests, cultural/religious heritage tourists tend to require higher levels of comfort in accommodation and transport and will expect well trained and informative guides.

Ecotourism/Rural Tourism

Herzegovina's tourism cluster has expressed an interest in developing rural tourism. This product is the least developed of the three outlined here and will require the greatest amount of attention to enable the region to compete with other rural tourism destinations in Europe. However, rural tourism is an important market segment in Europe and is growing. Estimates suggest that the rural tourism industry in Europe alone produces EUR 80 billion per year or half the GNP of Poland!

There is no directory or list of bed and breakfast or private accommodations available throughout the region and no association to represent or market these accommodation establishments. Once an association is established it can become a member of Eurogites, the European body representing national/regional farm and village tourism associations. This organisation can provide the rural tourism sector with the necessary advice and experience in marketing and accommodation standards. They have a broad network of support that Herzegovina can tie into and organise various events to bring together the European associations (of which 24 are members representing 22 countries)

The rural tourism sector is one that does not have to rely so heavily on inbound tour operators. European rural tourists are willing to make arrangements themselves directly with accommodation providers or through the national association. Internet use is high and therefore online booking facilities are likely to be in demand. They tend to enjoy devising their own itineraries using information they find themselves and self-guide themselves around the region. They like to spend time in the countryside and in national parks exploring local culture but are likely to venture for short trips to larger towns for cultural attractions. Rural tourists like country living and will welcome the opportunity to participate in small scale agricultural activities (fruit-picking, etc) including the opportunity to taste local cuisine and local wines. Walking is a popular pursuit but generally only small distances.

The hosts for rural tourists will need to have a friendly and hospitable character and will need to be able to recommend places to visit, foods to try and local wines to sample. The host and their accommodation is the main element of the holiday.

The consultant is unaware of the extent to which rural accommodation establishments are available or their suitability for hosting foreign tourists. Although facilities and services do not have to be very high, tourists do expect a minimum in terms of comfort and cleanliness.

The rural tourism segment is briefly outlined below.

Product/Offering	Price Level	Geographic Markets	Demographic Markets	Distribution Channels	Promotional Methods
Rural Tourism	Medium	UK, France, Germany, Benelux, Italy, Eastern Europe	DINKS, Empty Nesters, Seniors, Diaspora	Internet, Overseas Tour Operators,	Internet, General Travel Magazines, Special Interest Magazines, Sunday Travel Supplements, Travel Fairs

Priority Areas for Tourism Development in Herzegovina

The following are a list of priority actions for the tourism cluster in Herzegovina based on the tourism development potential of the region outlined above.

General

- More coordinated approach to promotion between tourism community and tourism enterprises so that focus is made on particular tourism products, tourism markets and consistency is created in image promotion
- Familiarisation trips for journalists and outbound tour operators

- Training for public and private sector staff on the design and publication of brochures and multimedia promotional materials
- Training on website design and content
- Market research on visitor satisfaction, expenditure, likes and dislikes, activities through an international visitor survey
- Involvement of local government representatives where they have shown enthusiasm to develop tourism
- Basic marketing training for tourism enterprises

Adventure Tourism

- Removal of waste from rural areas
- Certification of skippers, mountain leaders, guides and instructors to international standards
- Publication of maps in English outlining trekking and cycling routes, major attractions, rural accommodation facilities, levels of difficulty, and terrain to a scale of at least 1:50,000
- Establishment of an inventory of all tourism accommodation establishments in the region, their facilities, prices and contact details and broad dissemination to stakeholders
- One-on-one business assistance to inbound tour operators to support them in developing itineraries, identifying potential outbound operators, creating websites and promotional materials
- Assistance to the Herzegovina Neretva Tourism Community in the design and publication of a destination marketing piece focusing on the region's adventure opportunities that can be used by tour operators to complement their own promotional efforts
- Tour operators and Canton Community to exhibit at overseas adventure tourism fairs and tour operators to visit overseas consumer travel fairs to undertake market research and identify potential tour operators
- Greater attention paid to adventure tourism opportunities on the Herzegovina-Neretva Tourism Community website – outlining those operators providing adventure trips, details of routes and shops either renting cycles or with the ability to repair them
- Training for adventure clubs and societies in working with inbound operators, how the tourism industry works, what is expected from them in terms of safety

Cultural/Religious Heritage

- One-to-one assistance to tour operators in creating innovative itineraries that tell a cultural story, identifying outbound operators and creating websites and promotional materials
- Improved interpretation at important cultural and historical attractions including museums and monasteries, including the publication of small leaflets
- Assistance to the Herzegovina Neretva Tourism Community in the design and publication of a destination marketing piece focusing on the region's cultural/historical/religious heritage that can be used by tour operators to complement their own promotional efforts
- Ensure that major cultural/historical/religious attractions, including museums and galleries are staffed daily with knowledgeable individuals or are at least open to the public in the case of churches and mosques
- Greater accessibility to the various guidebooks covering the region within Herzegovina and internationally via the Internet
- Training for tour operator and museum/gallery guides in presentation and communication skills, focusing particularly on the differing skills required in undertaking city walking tours and museum tours
- Development of self-guided walking trails through towns and villages rather than just outlining the major attractions
- Establishment of an Ethno-village (or living museum), as suggested by the cluster, that allows visitors to experience at first hand the cultures of the region
- Publication of a regional cultural events calendar that includes all festivals, performances and plays throughout the region (similar to that produced in Sarajevo) no matter how small or isolated
- Signposting of major tourism attractions and the creation of a tourism map for the region that indicates the location of attractions rather than just towns and villages.

Rural Tourism

- Compilation of list of rural accommodation establishments and those interested in providing accommodation facilities
- Create guidelines for minimum standards to be followed by accommodation providers
- Establishment of a rural tourism association
- Join Eurogites
- Create website and brochure highlighting rural accommodation establishments, their facilities and location and providing contact details
- Removal of waste from the countryside

Opportunities for Building Cooperation with the Croatian Tourism Industry

The consultant was asked in his Scope of Work to produce a report outlining a proposed approach for building contacts and cooperation with the Croatian tourism industry.

After discussions with stakeholders in the Herzegovina region and the CCA Tourism Sector Advisor, and analysis of the JICA survey of Croatian travel agents, Croatian tourism industry and current capacity and resources of the BiH tourism industry, he has come to the conclusion that the benefits of collaboration with Croatian tourism enterprises are limited.

The reasons for this conclusion are as follows:

- 1) Croatia has a level of tourism industry maturity far more advanced than that of BiH. The structures in place, professionalism of tourism enterprises, level of awareness as a destination, accessibility, level of facilities and services and promotional activities are not comparable to BiH.
- 2) Croatia's tourism products are very different to what BiH can offer. Most visitors to Dubrovnik are interested in the beaches although there are some that have a cultural interest. Indeed the tag line Croatia uses, and emphasising the difference in tourism products, is 'Mediterranean as it once was'.
- 3) Croatia's tourism products are also targeted to different types of clients that BiH needs to attempt to attract. Dubrovnik is very much a low cost family beach destination. BiH must attract different segments of the market – those that have a higher disposable income, those that are more adventurous and those that are not interested in a beach vacation.
- 4) Croatia caters to the mass tourism market. There are direct flights to Dubrovnik with short transfers directly to large-scale low cost hotels. BiH must focus on the small niche market segments.
- 5) Although Croatian tour operators are providing day trips into Herzegovina, the consultant believes that the emphasis on these trips is not to show how wonderful BiH is but to add value to the Croatian experience. A Herzegovina day trip improves the Croatian experience.
- 6) Croatian tour operators have mixed opinions on the quality of Herzegovina tourism attractions. It would not be beneficial to pass on the success of the region's marketing to the Croatians.
- 7) Similarly, in the north western part of BiH, one hotel is providing accommodation to visitors to the Plitvice region of Croatia. Croatian travel agencies are using the hotel because of their lack of capacity rather than because they believe BiH has anything spectacular to offer.
- 8) Croatian enterprises, will not want to offer more than a day trip to BiH, in many cases. They will want to retain tourism expenditures amongst their own enterprises.
- 9) BiH enterprises currently serving the day trip market are reporting very little in the way of profit and considerable complications in terms of logistics.
- 10) BiH enterprises report frustration for tourists at national border crossing points that need to be resolved.

The fact that there are so many day excursions from Croatia to BiH has both advantages and disadvantages. Firstly, those visitors that do travel to the region, if they are suitable visitors and satisfied with the trip, can provide good marketing for BiH in terms of 'Word of Mouth'. Their experiences may in fact encourage a return visit specifically to Herzegovina or the rest of BiH or encourage their friends and relatives to visit. However, the fact that so many visitors to Dubrovnik are beach lovers suggests that they may not want to spend much time inland anyway.

The second important point to note is that the BiH day trip formula negatively promotes the region and country. Tourists may be led to believe that there is little more than a day's worth of attractions to visit or activities to undertake. They may also believe that it is not safe to stay overnight in BiH.

The consultant is not suggesting that tour operators currently serving the day trip market should stop doing so. What he suggests is that for the short-medium term, it would be in BiH's best interests to focus at the same time on getting its own type of clients that are willing to accept its current level of tourism facilities and services and stay in the country for more than one day.

However, as mentioned above under the second point, it is appreciated that not all tourists to Croatia are solely interested in the beach environment. Tourism enterprises should always look for opportunities for cooperation where the benefits of that cooperation are mutual. For example, there may be opportunities in the field of cultural and historical tourism in the southern part of BiH or in the field of rural tourism and adventure tourism in the northern part of BiH and inland part of Croatia to build cross border itineraries.

The key will be to ensure that BiH tourism enterprises identify Croatian enterprises and associations that are targeting the same market segment. Potential partners may be identified by attending regional and international trade fairs. Examples include the Croatian Alpinist Federation (http://free-zg.htnet.hr/climbing_guide/index.htm), the Croatian Speleological Society (<http://public.carnet.hr/speleo/hrv>) or the Croatian Cycling Federation (<http://www.hbs.hr>).

Krajina

The diversity of Krajina tourism assets is not as broad as those in Herzegovina. It has a comparable landscape and environment but lacks the same number and quality of historical and cultural attractions as Herzegovina. The consultant was aware of the large number of spas in the region but upon investigation felt that they required too much investment and reconstruction to be considered worthy of much attention. The region has the greatest potential in adventure tourism and rural tourism.

Adventure Tourism

Many of the comments made on adventure tourism in Herzegovina apply equally here, although there do appear to be particular strengths that Krajina possesses and could take advantage of.

Firstly, the cooperation between the various activity providers appears to be more advanced within Krajina. The caving, kayaking, climbing, mountaineering and rafting clubs communicate regularly, show willingness to support one another and work together. The consultant understands that an extreme sports association has recently been established to continue this cooperation. The only exception is the rafting companies that have some professional issues to deal with. Such cooperation will make the arrangement of multi-activity holidays easier. Additionally, the structure and sustainability of the various clubs seems very strong.

Secondly, the region appears to be more suitable for the hard adventure market; the rivers have more white water, the mountains chain is more impressive and there is prominence given to extreme sports such as canyoning. Targeting the hard adventure sector would also be more suitable given the lack of quality hotel accommodation in the region compared to Herzegovina; hard adventure tourists are more willing to accept camping and dormitory accommodation. Una Kiro and Sport Bjeli rafting companies have already started to deal with this issue by constructing their own accommodation facilities.

Una Kiro, Sport Bjeli and Rafting Club Canyon appear to be more experienced in providing services to foreign tourists. They have knowledge of safety issues, the importance of international certification, and how to deal with foreign clients.

Product/Offering	Price Level	Geographic Markets	Demographic Markets	Distribution Channels	Promotional Methods
Walking/Trekking	Low	UK, France,	Gap year	Internet, Overseas	Internet,

Cycling/Mountain Biking		Germany, Italy, Benelux	students, young groups, SINKs, DINKs, Empty Nesters	Tour Operators, Retail Travel Websites, Walking, Mountain & Cycling clubs/societies	Adventure Travel Magazines, Special Interest Magazines, National Newspapers, Adventure Travel Fairs
Rafting, Canyoning, Kayaking, Climbing, Caving	Low	UK, Germany, Eastern Europe, Italy, France, Benelux	Gap year students, Families, young groups, corporate groups, SINKs, DINKs	Internet, Overseas Tour Operators, Retail travel websites, Specialist sports clubs and societies	Internet, Adventure Travel Magazines, Special Interest Magazines, Adventure Travel Fairs
Multi-Activity	Low	UK, Germany, Italy, Benelux	Gap year students, Families, young groups, corporate groups, SINKs, DINKs	Internet, Overseas Tour Operators, Retail travel websites	Internet, Adventure Travel Magazines, Special Interest Magazines, Adventure Travel Fairs

The segmentation of the adventure travel market (above) is relevant too to Krajina, although as previously mentioned the region is likely to cater more satisfactorily to the hard adventure sector.

Ecotourism/Rural Tourism

As has already been pointed out, the cultural and historical attractions of the Krajina region are not sufficient to create a stand-alone tourism product. However, they are suitable in supporting an Ecotourism/Rural Tourism product and should be included in itineraries where their inclusion will add value to a visitor's experience. For example Ostrožac Castle commands an impressive position above the Una River although up close and inside, it is very disappointing; lacks visible care and any form of interpretation. Similarly, the Kozara National Park has a monument commemorating the contributions made by local residents in World War Two and a small museum, yet neither are enough on their own to attract visitors to the park. Banya Luka has the most impressive collection of cultural and historic monuments in a small area (including the Fortress and Trapište Monastery) but still the consultant does not believe they hold enough appeal to attract visitors on their own.

Product/Offering	Price Level	Geographic Markets	Demographic Markets	Distribution Channels	Promotional Methods
Rural Tourism	Medium	UK, France, Germany, Benelux, Italy, Eastern Europe	DINKs, Empty Nesters, Seniors, Diaspora	Internet, Overseas Tour Operators,	Internet, General Travel Magazines, Special Interest Magazines, Sunday Travel Supplements, Travel Fairs

The elements of the Rural Tourism sector outlined for Herzegovina are also relevant to Krajina and it is likely that the region will be catering to the same market. Certainly, Krajina suffers from exactly the same issues; lack of identified rural accommodations and an association to represent them.

Volunteer Tourism

Given the poor state of Ostrozac Castle and its obvious cultural and historical significance, it may be possible to organise volunteer tourism to the site in cooperation with suitable cultural organisations. The consultant has not had the time to investigate these opportunities in any depth and further research is recommended. However, to understand the demand for such types of holidays, the consultant suggests viewing the Cultural Restoration Tourism Project website – www.crtip.net. A recently published book by CAB International entitled 'Volunteer Tourism' may also give some indications as to the viability of this type of tourism product in the region.

Priority Areas for Development

The following are a list of priority actions for the tourism cluster in Krajina based on the tourism development potential of the region outlined above. The consultant makes no apology that many of the actions are duplicated from Herzegovina. Their application here underlines that each region faces similar problems.

General

- More coordinated approach to promotion between tourism community, tourism enterprises and activity providers so that focus is made on both the adventure travel and rural tourism products, and consensus is reached on particular tourism markets. Consistency of image promotion is important.
- Familiarisation trips for journalists and outbound tour operators
- Training for public and private sector staff on the design and publication of brochures and multimedia promotional materials
- Training on website design and content
- Market research on visitor satisfaction, expenditure, likes and dislikes, activities through an international visitor survey
- Involvement of local government representatives where they have shown enthusiasm to develop tourism
- Basic marketing training for tourism enterprises
- Investigate further the opportunities for volunteer tourism, particularly in relation to cultural restoration activities

Adventure Tourism

- Removal of waste from rural areas
- Certification of skippers, mountain leaders, speleologists, guides and instructors to international standards
- Publication of maps in English outlining trekking and cycling routes, major attractions, rural accommodation facilities, levels of difficulty, and terrain to a scale of at least 1:50,000
- Establishment of an inventory of all tourism accommodation establishments in the region, their facilities, prices and contact details and broad dissemination to stakeholders
- One-on-one business assistance to inbound tour operators and activity providers to support them in developing itineraries, identifying potential outbound operators, creating websites and promotional materials
- Strengthening relationships between activity providers and inbound operators to ensure understanding in their roles and the parts they play in providing services to foreign tourists
- Assistance to the Tourism Community of Una Sana Canton in the design and publication of a destination marketing piece focusing on the region's adventure opportunities that can be used by tour operators to complement their own promotional efforts
- Tour operators and Canton Community to exhibit at overseas adventure tourism fairs and tour operators to visit overseas consumer travel fairs to undertake market research and identify potential tour operators
- Creation of a Krajina tourism web portal highlighting the adventure tourism opportunities in the region, activity providers and inbound tour operators
- Support in the establishment of a mountain rescue team for the region, including training and equipment procurement

- Investigate opportunities with Ponir Caving Club in reopening caves in the region for tourist use
- Support in restructuring sports associations at a state level to enable equal participation of clubs and societies at entity level

Rural Tourism

- Compilation of a list of rural accommodation establishments and those interested in providing accommodation facilities
- Create guidelines for minimum standards to be followed by accommodation providers
- Establishment of a rural tourism association
- Join Eurogites
- Create website and brochure highlighting rural accommodation establishments, their facilities and location and providing contact details
- Removal of waste from the countryside
- Publication of a guidebook suitable for ecotourism/rural tourism clients, highlighting major cultural/historical/natural attractions, self-drive routes, suitable accommodation establishments
- Develop horse-riding, trekking and cycling facilities and services in and around the Kozara National Park; physical marking of trails, horse and cycle rental, maps

Sarajevo

Of the three regions, the consultant spent the least amount of time in and around Sarajevo. He advises that further investigation be made into the tourism opportunities in this region before outlining particular strategies. This is particularly important given the fact that the tourism industry in Sarajevo seemed the most reluctant and unenthusiastic in targeting a greater number of foreign visitors.

Sarajevo is situated in beautiful surroundings and it is not difficult or time consuming to get into the nearby countryside. However, the surrounding countryside is also a retreat for the city's residents and as a result the problem of waste is accentuated. The consultant visited a number of locations in both the north and south of the city and the problem was the same at every location.

Of course Sarajevo played host to the 1984 Winter Olympics and is recognised by many as a former Olympic destination. Unfortunately, this international event took place over 20 years, a time during which ski technology has advanced and tourism accommodations have aged. The resorts of Bjelasnica, Igman and Jahorina are obviously popular with domestic visitors and tourists from the former Yugoslavia and Eastern Europe (visa difficulties for some East European visitors). However, although the costs for ski passes and ski equipment rental are lower than resorts in Western Europe, the cost of flying to Sarajevo for Western European tourists makes the ski product less attractive. The hotels visited are certainly not geared up to receive tourists from Western Europe; they provide little promotional material in English and their facilities and services are not quite up to international standards. There may be some demand for cross-country or extreme skiing but the market is not anticipated to be very large. Additionally, research from IMD suggests that 74% of Europeans either have no opinion or a negative opinion on the winter sports opportunities.

The ski resorts are attempting to increase occupancy rates during the summer period by promoting soft adventure and MICE activities. MICE may become successful given the proximity of the resorts to Sarajevo and their pleasant surroundings. However, the ski slopes in summer are not considered to offer much to international visitors and the accommodation facilities are too large to appear attractive to rural tourists.

Sarajevo would appear to be the leading destination for the MICE market in BiH. Certainly, it has the greatest hotel capacity within the country and its hotels are of better quality than the huge complexes in Neum that would have to drastically change to accommodate MICE visitors. Further research is needed to inspect the facilities and services available. However, from the consultant's own experience of visiting the Holiday Inn and Hotel Saraj, significant improvements need to be made to satisfactorily cater to this type of tourist. Additionally, there is a lot of competition within the region from Zagreb who are more advanced in promoting MICE.

Sarajevo's tourism potential lies in its cultural heritage and history.

Cultural Heritage Tourism

The city itself is pleasant to explore and has a cosmopolitan feeling to it. It has a diverse range of Islamic, Christian and Jewish architecture and heritage with influences from Roman, Ottoman and Austro-Hungarian periods of history. It also has a range of museums, although it was not possible for the consultant to visit any of these. The Bradt travel guidebook dedicates 9 pages to a walking tour of the city; an indication of all that there is to see. Additionally, a number of companies provide walking and sightseeing tours of the city.

Of particular interest are the variety of cultural events and festivals that the town hosts, including a jazz festival, film festival, winter festival, Bašćaršija Nights and a range of concerts and performances.

Within Sarajevo, these events and the cultural attractions are well presented and advertised by the Tourism Information Centre. The Tourism Association of Sarajevo Canton also has a nicely presented and functional website listing details of these events.

Product/Offering	Price Level	Geographic Markets	Demographic Markets	Distribution Channels	Promotional Methods
Cultural Heritage	Medium	UK, Germany, France, Italy, Benelux, Scandinavia	Young couples, SINKS, DINKS, Empty Nesters, Seniors, Diaspora	Internet, Overseas Tour Operators, Retail travel websites, Historical Societies, School/University Groups	Internet, General Travel Magazines, Sunday Travel Supplements, Travel Fairs

The consultant was not in Sarajevo during any of the festivals and therefore it was not possible to gauge quality. However, he believes that Sarajevo cultural events are the key to obtaining a greater number of cultural heritage tourists to the city. A number of foreign tour operators have started to offer trips to Sarajevo and therefore there is obviously interest. However, the cluster must seek to promote the events more widely but in combination with the cultural and historical attractions of the city.

As mentioned earlier in the report, the war does not have to be a reason to attract tourists to Sarajevo. However, a cultural heritage trip must take into account recent history and present it in a factual manner.

The market segmentation for the city is outlined above and is identical to the segment Herzegovina should also attempt to attract. Sarajevo has a slight advantage on Mostar in that the range of accommodation is larger and that it is more easily accessible.

Priority Areas for Development

Given the fact the consultant had such limited time in Sarajevo, he is not able to make sound recommendations for the cluster on developing cultural tourism. Further research is needed. However, the recommendations below may be appropriate for consideration.

General

- More coordinated approach to promotion between tourism association and tourism enterprises so that focus is made on the city's cultural tourism product and the markets for which such a product is most interesting
- Familiarisation trips for journalists and outbound tour operators
- Training for public and private sector staff on the design and publication of brochures and multimedia promotional materials
- Training for inbound operators on website design and content
- Market research on visitor satisfaction, expenditure, likes and dislikes, activities through an international visitor survey
- Basic marketing training for tourism enterprises

Cultural Heritage Tourism

- Greater cooperation between event organisers, inbound operators, local tourism association and PR companies to successfully promote cultural events and coordinate arrivals of foreign visitors
- More detailed map of Sarajevo rather than just a small part of the city
- Events calendar on Sarajevo Tourism Association website to be more detailed rather than just announcing dates and greater attention to be paid to festivals
- One-to-one assistance to tour operators in creating innovative itineraries that tell a cultural story, identifying outbound operators and creating websites and promotional materials
- Publication of a higher quality destination marketing piece for Sarajevo focusing on its cultural heritage
- Improved interpretation at important cultural and historical attractions including museums and monasteries, including the publication of small leaflets
- Ensure that major cultural/historical/religious attractions, including museums and galleries are staffed daily with knowledgeable individuals or are at least open to the public in the case of churches and mosques
- Training for tour operator and museum/gallery guides in presentation and communication skills, focusing particularly on the differing skills required in undertaking city walking tours and museum tours
- Development of self-guided walking trails through towns and villages rather than just outlining the major attractions
- Construction of the proposed Sarajevo viewing points